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NOTIFICATION.

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The following Bill together with the Statement of Objects and Reasons is published as ordered by the Speaker under Rule 33 of the Legislative Assembly Rules (as modified and adapted by the Speaker under Article 208 read with Article 238 Clause (11) of the Constitution of India):

Legislature Secretariat,
Trivandrum, 7-7-1954.

V. KRISHNAMOORTHI,
Secretary, Legislative Assembly.

THE TRAVANCORE-COCHIN LITERARY, SCIENTIFIC AND CHARITABLE SOCIETIES REGISTRATION BILL.

A Bill to provide for the registration of literary, scientific and charitable societies in the State of Travancore-Cochin.

Preamble. Whereas it is expedient that provision should be made for improving the legal condition of societies, established for the promotion of literature, science, or the fine arts, or for the diffusion of useful knowledge or for charitable purposes;

Be it enacted in the Fifth Year of the Republic of India as follows:—

1. *Short title, extent and commencement.* (1) This Act may be called the Travancore-Cochin Literary, Scientific and Charitable Societies Registration Act, 1954.

(2) It extends to the whole of the State of Travancore-Cochin and shall come into force on such date as the Government may, by notification in the Gazette, appoint.

2. *Definitions.* In this Act, unless the context otherwise requires,—

(*a*) "Registrar" means the officer empowered by the Government to register societies under this Act; and

(*b*) "Society" means a society registered or deemed to be registered under this Act.

3. *Societies formed by memorandum of association and registration.* Any seven or more persons associated for any literary, scientific or charitable purpose, or for any such purpose as is described in Section 35 of this Act, may, by subscribing their names to a memorandum of association and filing the same with the Registrar, form themselves into a society under this Act.

4. *Memorandum of association.* (1) The memorandum of association shall contain the following particulars, namely:— the name of the society; the objects of the society; the names, addresses and occupations of the governors, council, directors, committee or other governing body to whom, by the rules of the society, the management of its affairs is entrusted.

(2) A copy of the rules and regulations of the society certified to be a correct copy by not less than three of the members of the governing body, shall be filed with the memorandum of association.

5. *Registration.* Upon such memorandum and certified copy being filed, the Registrar shall certify under his hand that the society is registered under this Act. There shall be paid to the Registrar for every such registration a fee of twenty-five rupees, or such smaller fee as the Government may, from time to time, direct; and all fees so paid shall be accounted for to the Government.

6. *Registered office of society.* (1) A society shall, within twenty-one days from the date of its registration, have a registered office to which all communications and notices may be addressed.

(2) Notice of the situation of the registered office and of any change therein shall be given by the governing body of the society, within twenty-one days after the date of registration of the society or of the change, as the case may be, to the Registrar, who shall record the same.

(3) A society, already registered and in existence at the commencement of this Act, shall, within twenty-one days of the date of coming into force of this Act, have a registered office and its governing body, shall give notice of the situation of the registered office or of any change therein within twenty-one days from the commencement of this Act or the change as the case may be, to the Registrar who shall record the same.

(4) If the governing body of a society fails to comply with the requirements of this section, every member of the governing body shall be liable to a fine not exceeding twenty-five rupees for every day during which the non-compliance continues.

7. *General meetings and minutes of proceedings of such meetings.* (1) It shall be the duty of the governing body of a society to convene the first general meeting of the society within 18 months from the date of its registration and thereafter once atleast in every calendar year and not more than 15 months after the holding of the last preceding meeting.

(2) At the annual general meeting so held, election of members to the governing body shall be made as provided for in the rules and regulations of the society provided the minimum number of persons in the governing body shall be three,

(3) A list of the members of the first governing body of a society shall be filed with the Registrar within fourteen days from the date of registration of the society and thereafter the list of the governing body shall be filed with the Registrar within fourteen days after the date of the annual general meeting.

(4) Every society shall cause minutes of all proceedings of general meetings to be entered in books kept for the purpose. Such minute shall be signed by the chairman of the meeting at which the proceedings were had.

(5) If default is made in holding the annual general meeting, filing the list of governing body or recording the minutes of proceedings of general meetings as laid down in this section, the society and every member of its governing body who is wilfully in default, shall be liable to a fine not exceeding one hundred rupees.

8. *Property of society how vested.* The property, movable, and immovable, belonging to a society, if not vested in trustees, shall be deemed to be vested, for the time being, in the governing body of such society, and in all proceedings, civil and criminal, may be described as the property of the governing body of such society by their proper title.

9. *Suits by and against societies.* Every society may sue or be sued in the name of the president, chairman, or principal, secretary, or trustees, as shall be determined by the rules and regulations of the society, and in default of such determination, in the name of such person as shall be appointed by the governing body for the occasion:

Provided that it shall be competent for any person having a claim or demand against the society, to sue the president or chairman, or principal secretary or the trustees thereof, if, on application to the governing body, some other officer or person be not nominated to be the defendant.

10. *Suits not to abate.* No suit or proceeding in any civil court shall abate or discontinue by reason of the person by or against whom such suit or proceedings shall have been brought or continued, dying or ceasing to fill the character in the name whereof he shall have sued, or been sued but the same suit or proceeding shall be continued in the name of or against the successors of such person.

11. *Enforcement of judgment against society.* (1) If a judgment shall be recovered against the person or officer named on behalf of the society, such judgment shall not be put in force against the property, movable or immovable, or against the body of such person or officer, but against the property of the society.

(2) The application for execution shall set forth the judgment, the fact of the party against whom it shall have been recovered having sued or having been sued, as the case may be, on

behalf of the society only, and shall require to have the judgment enforced against the property of the society.

12. *Books of accounts to be kept by society.* (1) The general body of a society shall cause to be kept proper books of account with respect to—

(*a*) all sums of money received and expended for and on behalf of the society and the matters in respect of which the receipt and expenditure take place ; and

(*b*) the assets and liabilities of the society.

(2) If default is made in complying with the requirements of this section, every member of the governing body who has, knowingly by his act or omission, been the cause of such default, shall be liable to a fine not exceeding two hundred rupees.

13. *Annual balance sheet.* (1) The governing body of every society shall at some date not later than eighteen months after the registration of the society, and subsequently once at least in every calendar year lay before the society in general meeting a balance sheet and income and expenditure account for the period, in the case of the first account since the registration of the society and in any other case since the preceding account made up to a date not earlier than the date of the meeting by more than six months.

(2) The balance sheet and income and expenditure account shall be audited in the case of the first balance sheet and account by an auditor appointed by the governing body and in the case of subsequent balance sheet and account, by an auditor appointed by the general meeting.

(3) The balance sheet and income and expenditure account shall be signed by at least three members of the governing body when the number of the governing body exceeds three and by all the members when the number is three.

(4) After the balance sheet and income and expenditure account have been laid before the society at the general meeting, a copy of the balance sheet certified by at least two members of the governing body, shall be filed with the Registrar within twenty-one days from the date of the general meeting.

(5) If the requirements of this section are not complied with, the society and every member of its governing body, who knowingly and wilfully authorises or permits the default, shall be liable to a fine not exceeding one hundred rupees.

14. *Recovery of penalty accruing under bye-law.* Whenever by any bye-law duly made in accordance with the rules and regulations of the society, or, if the rules do not provide for the making of bye-laws by any bye-law made at a general meeting of the members of the society convened for the purpose (for the

making of which the concurrent votes of three-fifths of the members present at such meeting shall be necessary) any pecuniary penalty is imposed for the breach of any rule or bye-law of the society such penalty, when accrued, may be recovered in any court having jurisdiction where the defendant shall reside, or the society shall be situate, as the governing body thereof shall deem expedient.

15. *Society to keep a register of members.* (1) Every society shall have a register of its members wherein the following particulars are entered :—

(a) the names and addresses and the occupation, if any of the members;

(b) the date on which each person became a member;

(c) the date on which any person ceased to be a member.

(2) If default is made in complying with the requirements of this section, the society and every member of the governing body, who knowingly and wilfully authorises or permits the default, shall be liable to a fine not exceeding ten rupees for every day during which the default continues.

16. *Members liable to be sued as strangers.* Any member who may be in arrear of a subscription which, according to the rules of the society he is bound to pay, or who shall possess himself of, or detain, any property of the society, in a manner, or for a time, contrary to such rules, or shall injure or destroy any property of the society, may be sued for such arrear, or for the damage accruing from such detention, injury or destruction of property, in the manner hereinbefore provided.

Recovery by successful defendant of costs adjudged. But, if the defendant shall be successful in any suit or other proceeding, brought against him at the instance of the society, and shall be adjudged to recover his cost, he may elect to proceed to recover the same from the officer in whose name the suit shall be brought or from the society, and in the latter case, shall have process against the property of the said society in the manner above described.

17. *Members guilty of offences punishable as strangers.* Any member of the society who shall steal, purloin or embezzle any money or other property, or wilfully and maliciously destroy or injure any property of such society or shall forge any deed, bond, security for money, receipt or other instrument, whereby the funds of the society may be exposed to loss, shall be subject to the same prosecution, and, if convicted, shall be liable to be punished in like manner as any person not being a member would be subject and liable to in respect of the like offence.

18. *Societies enabled to alter, extend or abridge their purposes.* Whenever it shall appear to the governing body of any society, which has been established for any particular purpose or purposes, that it is advisable to alter, extend or abridge such

purpose to or for other purposes, within the meaning of this Act, or to amalgamate such society, either wholly or partially, with any other society, such governing body may submit the proposition to the members of the society in a written or printed report and may convene a special meeting for the consideration thereof according to the regulations of the society.

But no such proposition shall be carried into effect unless such report shall have been delivered or sent by post to every member of the society ten days previous to the special meeting convened by the governing body for the consideration thereof, nor unless such proposition shall have been agreed to by the votes of three-fifths of the members delivered in person or by proxy, and confirmed by the votes of three-fifths of the members present at a second special meeting convened by the governing body at an interval of one month after the former meeting.

19. *Power to call for accounts and inspection of books, etc.* (1) The Government may at any time call upon the governing body of any society to submit periodically accounts of income and expenditure and of the assets and liabilities of the society. The Registrar or any other officer authorised by the Government shall periodically examine the accounts and other books of the society and submit to the Government a report on the result of such inspection. The Inspecting Officer may enter the premises of the society and the governing body and the servants of the society shall furnish him with all information he may call for and shall also render him all the assistance necessary to enable him to conduct the examination and make the report. It shall be the duty of the governing body and of all persons who are or have been servants of the society to produce before the officer so deputed all books and documents in their custody or power relating to the society and to answer any question relating to the affairs of the society.

(2) Whenever the Inspecting Officer has reason to believe that the accounts or other books or documents of the society are withheld without sufficient excuse, he may after recording the reasons and the grounds of his belief enter and search or cause to be searched any place or may seize any such accounts, books or documents.

(3) The Government may, for the efficient and better management of the society, review the reports submitted under sub-section (1) and pass such orders as they deem fit other than those referred to in clauses (a) to (c) of sub-section (1) of Section 25.

20. *Power to fine any member of the governing body or servant of the society and dismiss him for disobedience.*— (1) The Government may fine any member of the governing body or servant of the society who wilfully or contumaciously disobeys any order passed by them under Section 19 in an amount not exceeding fifty rupees for each act of disobedience.

If the said member or servant fails to carry out the said order within one week from the date of receipt by him of the order imposing the fine the Government may dismiss him. The governing body of the society shall be bound to give effect to the order passed by the Government under this section and any failure on their part to give effect to such order shall be deemed disobedience within the meaning of this section.

(2) A person dismissed under sub-section (1) shall be disqualified to be elected or nominated as a member of the governing body for a period of 5 years from the date of such removal unless the disqualification is removed by the Government.

21. *Government to fill up any vacancy in accordance with the rules and regulations of the society.*—In cases in which a member of the governing body is removed or dismissed under Section 20, the vacancy shall be filled up in accordance with the rules and regulations of the society :

Provided that the Government may fill up such vacancy otherwise than in accordance with the rules and regulations of the society if in their opinion such a deviation is necessary in the interests of the society.

22. *Amendments to memorandum or the rules and regulations of a society.* (1) When any amendment is made in the provisions of the memorandum or the rules and regulations of a society, a copy of the resolution effecting the amendment, certified to be a correct copy by not less than three members of the governing body shall be filed with the Registrar within fourteen days from the date of the general meeting at which the resolution was passed.

(2) If delay is made in so filing with the Registrar a copy of the resolution mentioned in sub-section (1) of this section, the society and every member of its governing body, shall be liable to a fine not exceeding ten rupees for every day the default continues.

23. *Provision for dissolution of societies and adjustment of their affairs.*—Any number not less than three-fifths of the members of any society may determine that the society shall be dissolved, and thereupon it shall be dissolved forthwith or at the time then agreed upon, and all necessary steps shall be taken for the disposal and settlement of the property of the society, its claims and liabilities, according to the rules of the said society applicable thereto, if any, and if not, then as the governing body shall find expedient :

Provided that, in the event of any dispute arising among the said governing body or the members of the society the adjustments of its affairs shall be referred to the principal court of original civil jurisdiction of the District in which the registered office of the society is situate ; and the court shall make such order in the matter as it shall deem requisite :

Assent required. Provided further that no society shall be dissolved unless three-fifths of the members shall have expressed a wish for such dissolution, by their votes delivered in person, or by proxy, at a general meeting convened for the purpose:

Government consent. Provided also that whenever the Government is a member of, or a contributor to, or otherwise interested in, any society such society shall not be dissolved without the consent of the Government.

24. *Upon a dissolution no member to receive profit.* If, upon the dissolution of any society, there shall remain after the satisfaction of all its debts and liabilities, any property, whatsoever, the same shall not be paid to, or distributed among the members of the said society, or any of them, but shall be given to the Government upon such terms and conditions as may be mutually agreed upon or to some other society which has for its object the furtherance of aims similar, as near as may be, to the objects of the dissolved society to be determined by the votes of not less than three-fifths of the members present, personally, or by proxy, at the time of the dissolution, or, in default thereof, by such court as aforesaid:

Section not to apply to Joint Stock Companies. Provided, however, that this section shall not apply to any society which shall have been founded or established by the contributions of shareholders in the nature of joint stock company.

25. *Application to court for dissolution, framing a scheme, etc.* (1) When an application is made by the Government or ten per cent. of the members on the rolls of a society to the District Court within the jurisdiction of which the society is registered, the court may, after enquiry and on being satisfied that it is just and equitable, pass any of the following orders:—

(*a*) removing the existing governing body and appointing a fresh governing body; or

(*b*) framing a scheme for the better and efficient management of the society; or

(*c*) dissolving the society.

(2) Where the application under sub-section (1) is by the members of the society, the applicant shall deposit in court along with the application the sum of one hundred rupees in cash as security for costs.

26. *Handing over of surplus assets by court.* When a society is dissolved under Section 25, the court may if the Government are willing to accept the management of the society order that such management shall be handed over to the Government or that any surplus assets remaining after the satisfaction of the debts and liabilities of the society may be given to some other society which has for its object, the furtherance of aims similar, as near as may be, to the objects of the dissolved society.

27. *Appeals against orders under section 25.*—Appeals shall lie to the High Court from orders passed under Section 25 as if they were decrees in suits and shall be presented within the time prescribed therefor.

28. *Member defined.*—For the purposes of this Act, a member of a society shall be a person who, having been admitted therein, according to the rules and regulations thereof, shall have paid a subscription or shall have signed the roll or list of members thereof, and shall not have resigned in accordance with such rules and regulations, but in all proceedings under this Act no person shall be entitled to vote or to be counted as a member, whose subscription at the time shall have been in arrear for a period exceeding three months.

29. *Governing body defined.*—The governing body of the society shall be the governors, council, directors, committee, trustees or other body to whom, by the rules and regulations of the society, the management of its affairs is entrusted.

30. *Registration of societies formed before this Act.*—Any company or society established for a literary, scientific or charitable purpose, previously to the passing of this Act, may, at any time, hereafter, be registered as a society under this Act, subject to the proviso that no such company or society shall be registered under this Act unless an assent to its being so registered has been given by three-fifths of the members present personally, or by proxy, at some general meeting convened for that purpose by the governing body.

In the case of such a society, if no governing body shall have been constituted on the establishment of the society, it shall be competent for the members thereof, upon due notice, to create for itself a governing body to act for the society thenceforth.

31. *Such society to file memorandum etc. with Registrar.*—In order to any such society, as is mentioned in section 30, obtaining registry under this Act, it shall be sufficient that the governing body file with the Registrar a memorandum showing the name of the society the location of the office of the society, the objects of the society, and the names, addresses, and occupations of the governing body, together with a copy of the rules and regulations of the society, certified as provided in Section 4, and a copy of the report of the proceedings of the general meeting at which the registration was resolved on.

32. *Registrar to maintain a register of societies.* (1) The Registrar shall maintain a register of societies in which shall be entered the name of every society, the location of its office, the date of its registration and the names of the documents filed in pursuance of the provisions of this Act.

(2) The memorandum and all other documents relating to each society shall be kept filed in a separate file book maintained for each society.

(3) Where the Registrar has reasonable cause to believe that a society is not functioning, he shall send to the society by post a registered letter inquiring whether the society is functioning.

(4) If the Registrar either receives an answer from the society to the effect that it is not functioning or does not within one month after sending the letter referred to in sub-section (3) receive any answer, he may publish in the Gazette and send to the society by post a notice that at the expiration of three months from the date of that notice, the name of the society mentioned therein will, unless cause is shown to the contrary, be struck off the register as defunct.

33. *Inspection of documents.* Any person may inspect all documents filed with the Registrar under this Act on payment of a fee of one rupee for each inspection, and any person may require a copy or extract of any document or any part of any document to be certified by the Registrar, on payment of two annas for every hundred words of such copy or extract;

Certified copies. and such certified copy shall be *prima facie* evidence of the matters therein contained in all legal proceedings whatever.

34. *Fee for filing documents or return.* A filing fee of one rupee and eight annas shall be levied for the filing of each document or return required to be filed under the provisions of this Act.

35 *To what societies the Act applies.* The following societies may be registered under this Act :—

Charitable societies, societies established for the promotion of science, literature or the fine arts, for instruction, the diffusion of useful knowledge, the foundation or maintenance of libraries or reading rooms for general use among the members or open to the public, or public museums, and galleries of painting and other works of art, collections of natural history, mechanical and philosophical inventions, instruments or designs.

36. *Trial of offences under the Act.* (1) No court inferior to that of a Magistrate of the second class shall try any offence under this Act and the Magistrate shall not take action except upon a report received from the Registrar, or upon a complaint by any other person with the sanction in writing of the Registrar, or any other authority to whom such Registrar is subordinate regarding such offence.

(2) The court imposing any fine under this Act may direct that the whole or any part thereof be applied in or towards payment of the cost of the proceedings or in or towards the rewarding of the person on whose information the fine is recovered.

(3) Notwithstanding anything contained in the Code of Criminal Procedure, 1898, the Registrar is authorised at any time, on receipt of such compensation as may be fixed by him, to compound any offence punishable under the foregoing provisions of this Act. Such composition shall have the effect of an acquittal of the accused.

37. *Saving of existing Societies.* Every society registered under the Act for the Registration of Literary, Scientific and Charitable Societies in Cochin (Cochin Act II of 1088) and in existence at the commencement of this Act shall be deemed to be registered under this Act.

38. *Repeal.* The Act for the Registration of Literary, Scientific and Charitable Societies in Cochin (Cochin Act II of 1088) is hereby repealed.

STATEMENT OF OBJECTS AND REASONS.

The Bill seeks to provide for the registration of literary, scientific and charitable societies. In the Cochin area there is in force an enactment for that purpose. The Cochin Act was originally based on the Indian Societies Registration Act, XXI of 1860. The provisions of the Cochin Act were found to be inadequate in certain respects, and therefore the scope of the Cochin Act was widened by effecting certain amendments in 1118.

In the Travancore area there is no enactment in force for the registration of such societies. It is considered necessary to have a measure on the lines of the enactment in force in Cochin. In actual working even the provisions of the Cochin Act as subsequently amended in 1118 were found to be inadequate. It was therefore proposed that some more provisions on the lines of those contained in the Company Law may with advantage be incorporated. These provisions mainly relate to (1) registered office of society, (2) annual general meetings, (3) books of accounts to be kept by society and annual balance sheet, (4) register of members of society, (5) amendments to memorandum, (6) maintenance of a register of societies by the Registrar, and (7) filing of certain documents and returns and the fee therefor. Provisions for the above purposes have also therefore been incorporated in the present Bill.

P. K. KUNJU.